

STATE OF NEW JERSEY  
BUREAU OF SECURITIES  
P.O. Box 47029  
Newark, New Jersey 07101  
(201) 504-3600

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IN THE MATTER OF:

THE APPLICATION OF:

CHRISTOPHER J. RICHARDSON  
CRD No. 2041338,

Respondent.  
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:  
: ADMINISTRATIVE COMPLAINT  
: AND  
: ORDER OF DENIAL OF  
: APPLICATION FOR  
: AGENT REGISTRATION  
:  
:  
:

To: Christopher J. Richardson  
41 1st Street #1D  
Hoboken, New Jersey 07030

Meyers, Pollock, Robbins, Inc.  
ATTN: Christen Roche, Registration  
One World Trade Center, Suite 9151  
New York, New York 10048

Pursuant to the authority granted to the Chief of the New Jersey Bureau of Securities ("Bureau") by the Uniform Securities Law (1967), N.J.S.A. 49:3-47 et seq., more particularly, N.J.S.A. 49:3-58, and after review and due consideration of the application for agent registration with Meyers, Pollock, Robbins, Inc. ("Meyers Pollock") submitted by Christopher J. Richardson ("Richardson"), the Bureau Chief has determined that Richardson's application should be DENIED for the reasons that follow:

### BACKGROUND

1. An application was submitted on behalf of Richardson to the Bureau on March 29, 1996, for his registration as an agent of a Meyers Pollock branch office located at 1 Exchange Place, 8th Floor, Jersey City, New Jersey 07302. Richardson resides at 41 1st Street #1D, Hoboken, New Jersey 07030. Meyers Pollock is headquartered at One World Trade Center, Suite 9151, New York, New York 10048.

2. Richardson's application for agent registration was completed on April 28, 1996. On May 20, 1996, the Bureau entered an order, pursuant to N.J.S.A. 49:3-57(a), postponing the effective date of Richardson's registration to June 1, 1996. By letter dated May 30, 1996, counsel for Richardson consented to the postponement of the effective date of Richardson's registration until July 1, 1996. On June 18, 1996, Richardson appeared before the Bureau, for sworn testimony, pursuant to subpoena number 2056, and consented to the extension of his application for registration until August 1, 1996. On July 26, 1996 by Consent Order of Postponement, Richardson's effective date of registration was postponed until September 3, 1996. Subsequently, counsel for Richardson, by letter dated August 29, 1996, consented to postponing the effective date of Richardson's registration to October 1, 1996. As of the date of this Order, Richardson is not registered with the Bureau in any capacity.

RICHARDSON TRANSACTED TRADES WHILE UNREGISTERED

3. Richardson began his employment at A.S. Goldmen & Co., Inc. ("Goldmen") beginning approximately April 1994. From approximately October 1994 until March 1996, Richardson has been registered as an agent of Goldmen. During all times relevant to this Order, Richardson worked out of the Goldmen branch office located at 99 Wood Avenue South, Suite 902, Iselin, New Jersey 08830.

4. Richardson was approved as an agent of Goldmen in the State of New Jersey on October 19, 1994. Notwithstanding that fact, the Bureau has determined that, prior to the effective date of his registration in New Jersey, and while working from the Goldmen branch office in New Jersey, among other things:

i. Richardson transacted trades beginning in, at least, May 1994;

ii. Richardson opened new accounts beginning in, at least, May 1994; and

iii. Richardson received commissions beginning in, at least, July of 1994 and running through October 1994.

5. In relation to the accounts of at least four customers, Richardson testified that he executed all the trades on behalf of those customers. A number of these trades occurred prior to Richardson's effective date of registration in New Jersey.

RICHARDSON ENGAGED IN DISHONEST AND UNETHICAL PRACTICES

6. During the time Richardson was employed at Goldmen, he engaged in dishonest and unethical practices in the securities business, in that, among other things, he:

- i. Failed to Execute customer sell orders;
- ii. Engaged in unauthorized trading in customer accounts; and
- iii. Intentionally created false books and records.

7. The Bureau has evidence that Richardson failed to execute customer sell order requests, and entered into unauthorized transactions. Additionally, Bureau investigators have uncovered evidence of falsified new account forms in which Richardson signed off as the account executive opening the new accounts when, in fact, he had never personally dealt with those customers opening the new accounts.

RICHARDSON WILLFULLY FAILED TO APPEAR PURSUANT TO A BUREAU SUPBOENA

8. Ricahrdson appeared for testimony before the Bureau on Juen 18, 1996, pursuant to subpoena number 2056 At that time, the Bureau informed Richardson that his testimony would be continued at a later date. Thereafter, by letter dated September 18, 1996, the Bureau advised Richardson that he was scheduled to appear before the Bureau on September 25, 1996 for additional sworn testimony. By voice mail message on the evening before his scheduled appearance, Richardson notified the Bureau that he would not appear. Richardson in fact failed to appear for the deposition scheduled for September 25, 1996.

APPLICABLE LAW

9. Pursuant to N.J.S.A. 49:3-58(a), "[t]he bureau chief may by order deny...any registration if he finds (1) that the order is in the public interest and (2) that the applicant...(ii) has willfully violated or willfully failed to comply with any provision of this law...[or] (vii) has engaged in dishonest or unethical practices in the securities business...."

10. N.J.S.A. 49:3-56(a) provides that: "It shall be unlawful for any person to act as a[n]...agent...in this State unless he is registered under this act;..."

11. N.J.A.C. 13:47A-14.16(a) provides that:

A registered person shall cooperate in any inquiry, investigation or inspection conducted by, or on behalf of, the Bureau, for the purposes of determining whether or not any person has violated or is about to violate any provision of the Uniform Securities Law or any regulation or order promulgated thereunder. A registered person's willful failure to cooperate, absent good cause or bona fide claim of privilege, may be deemed by the Bureau a violation of the Uniform Securities Law within the meaning of N.J.S.A. 49:3-58(a)(2)(ii) and thus subject the registered person to denial...of registration.

12. N.J.S.A. 49:3-70(b) provides that: "Any person who violates any of the provisions of this law or who violates any rule or order under this law, shall be liable for the first violation to a penalty of not more than \$10,000.00; for a second violation to a penalty of not more than \$20,000.00; and for subsequent violation to a penalty of \$20,000.00."

DENIAL BASED ON WILLFUL VIOLATION OF THE LAW

13. The foregoing conduct by Richardson, while associated with Goldmen, constitutes a willful violation of the registration provisions of N.J.S.A. 49:3-56(a), which is cause pursuant to N.J.S.A. 48:3-58(a)(2)(ii) to deny Richardson's application for registration as an agent of Meyers Pollock.

14. Based upon the foregoing, the denial of Richardson's application for registration as an agent of Meyers Pollock is found to be in the public interest and necessary for the protection of investors under N.J.S.A. 49:3-58(a)(1).

DENIAL BASED ON A WILLFUL FAILURE TO COOPERATE

15. The foregoing conduct by Richardson constitutes a willful failure to cooperate with a Bureau investigation, which is cause pursuant to N.J.S.A. 49:3-58(a)(2)(ii) and N.J.A.C. 13:47A-14.16 to deny Richardson's application for registration as an agent of Meyers Pollock.

16. Based upon the foregoing, the denial of Richardson's application for registration as an agent of Meyers Pollock is found to be in the public interest and necessary for the protection of investors under N.J.S.A. 49:3-58(a)(1).

DENIAL BASED UPON DISHONEST OR UNETHICAL  
PRACTICES IN THE SECURITIES BUSINESS

17. The foregoing conduct by Richardson, while associated with Goldmen, constitutes dishonest or unethical practices in the securities business, which is cause pursuant to N.J.S.A. 49:3-58(a)(2)(vii) to deny Richardson's application for registration as an agent of Meyers Pollock. The conduct described herein,

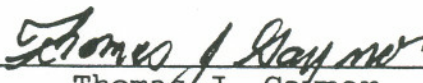
includes, but is not limited to: executing transactions on behalf of customers without authorization; establishing an account containing fictitious information in order to execute transactions which would otherwise be prohibited; and engaging in other deceptive practices including, but not limited to, failing to execute trades at customers' requests.

18. Based upon the foregoing, the denial of Richardson's application for registration as an agent of Meyers Pollock is found to be in the public interest and necessary for the protection of investors under N.J.S.A. 49:3-58(a)(1).

#### CONCLUSION

For the reasons stated above, IT IS ON THIS <sup>26<sup>th</sup></sup> DAY OF SEPTEMBER 1996, ORDERED that Richardson's application for registration as an agent of Meyers Pollock is DENIED.

It is further PROPOSED, pursuant to N.J.S.A. 49:3-70(b), that based upon the above allegations, civil monetary penalties be assessed against Richardson in an amount to be calculated as follows: for the first violation a penalty of not more than \$10,000.00; for the second violation a penalty of not more than \$20,000.00; and for subsequent violations a penalty of \$20,000.00.

  
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Thomas J. Gaynor  
Bureau Chief

THIS ORDER IS PROPOSED FOR ENTRY, IT IS NOT EFFECTIVE AT THIS TIME

STATE OF NEW JERSEY  
BUREAU OF SECURITIES  
P.O. Box 47029  
Newark, New Jersey 07101  
(201) 504-3600

IN THE MATTER OF:

THE APPLICATION OF:

CHRISTOPHER J. RICHARDSON:  
CRD NO. 2041338, :

Respondent.

## ORDER ASSESSING MONETARY PENALTIES

Based on the violations of N.J.S.A. 49:3-47 et seq., set forth in the Administrative Complaint and in the public interest to protect investors in the State of New Jersey and to accomplish the purposes fairly intended by N.J.S.A. 49:3-47 et seq.;

IT IS on this day        of        , 1996, hereby

ORDERED pursuant to N.J.S.A. 49:3-70(b) that Christopher J. Richardson is assessed a civil monetary penalty of \$\_\_\_\_\_.

By: Thomas J. Gaynor  
Bureau Chief

#### NOTICE OF RIGHT TO HEARING

Pursuant to N.J.S.A. 49:3-58(c)(1), this matter will be set down for a hearing, if a written request for such a hearing is filed with the Bureau Chief within thirty (30) days after the applicant receives this Order. A request for hearing must be accompanied by a written response, which addresses specifically each of the reasons set forth in the Order, which formed the basis for its entry. A general denial is unacceptable.

At any hearing involving this matter, an individual may appear on his/her own behalf or be represented by an attorney. If no hearing is requested, the Order shall remain in effect until modified or vacated. If a hearing is held, the Bureau Chief shall affirm, vacate or modify the Order in accordance with the findings made at the hearing.

#### NOTICE OF OTHER ENFORCEMENT REMEDIES

You are advised that the Uniform Securities Law (1967), N.J.S.A. 49:3-47 et. seq., provides several enforcement remedies which are available to be exercised by the Bureau Chief, either alone, or in combination. These remedies include, in addition to this action denying your registration, the right to revoke your registration, seek and obtain injunctive and ancillary relief in a civil enforcement action, N.J.S.A. 49:3-69, and the right to seek and obtain civil penalties in an administrative or civil action N.J.S.A. 49:3-70(b).

You are further advised that the entry of this Order of Denial does not preclude the Bureau Chief from seeking and obtaining other enforcement remedies against you in connection with the claims made against you in this action.